

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1643

ANSWERED ON:10.03.2017

Action Against Black Money

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Will the Minister of FINANCE be pleased to state:

- (a) the estimated amount of black money within and outside the country along with the details of the amount recovered from within and abroad as on date;
- (b) the list of names of the black money account holders in various foreign banks along with the action taken/proposed to be taken by the Government;
- (c) whether the money laundering investigations get severely delayed; and
- (d) if so, the details thereof and the action taken or proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE FOR FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a): There is no official estimation of quantum of black money within and outside the country.

As part of enforcement measures, during the period from 01.04.2014 to 31.12.2016, the Income Tax Department (ITD) conducted searches in 1838 groups of assesseees, seizing undisclosed assets worth Rs.2,607 Crore. These assesseees admitted undisclosed income of Rs.33,210 Crore. During the same period, 14,472 surveys conducted resulted in detection of undisclosed income of Rs.31,929 Crore. Similarly, during the period from 01.04.2014 to 31.12.2016, the Income Tax Department has filed 1751 prosecution complaints while offences were compounded in 2549 cases and 75 persons have been convicted by the Courts.

Under the one-time three months' compliance window ended on 30th September 2015, under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015, 648 disclosures involving undisclosed foreign assets worth Rs.4164 crore were made. The amount collected by way of tax and penalty in such cases was about Rs.2476 crore. Further, under the Income Declaration Scheme, 2016, the Government has received 64,275 declarations disclosing undisclosed income of Rs. 65,250 crore.

(b): Disclosure of information regarding specific taxpayers is prohibited except as provided under section 138 of the Income-tax Act, 1961. Further, information received under the provisions of Tax Treaties with foreign countries is governed, inter alia, by the confidentiality clause in such instruments.

The Government has taken several measures to effectively tackle the issue of black money, particularly black money stashed away abroad. Such measures include policy-level initiatives, more effective enforcement action on the ground, putting in place robust legislative and administrative frameworks, systems and processes with due focus on capacity building and integration of information and its mining through increasing use of information technology. Recent major initiatives in this regard includes:

- (i) Constitution of the Special Investigation Team (SIT) on Black Money under Chairmanship and Vice-Chairmanship of two former Judges of Hon'ble Supreme Court,
- (ii) Constitution of Multi-Agency Group (MAG) consisting of officers of Central Board of Direct Taxes (CBDT), Reserve Bank of India (RBI), Enforcement Directorate (ED) and Financial Intelligence Unit (FIU) for investigation of recent revelations in Panama paper leaks,
- (iii) Proactive engagement with foreign governments to facilitate and enhance the exchange of information under Double Taxation Avoidance Agreements (DTAAs)/Tax Information Exchange Agreements (TIEAs)/Multilateral Conventions and furthering global efforts to combat tax evasion/black money, inter alia, by joining the Multilateral Competent Authority Agreement in respect of Automatic Exchange of Information (AEOI) and having information sharing arrangement with USA under its Foreign Account Tax Compliance Act (FATCA),
- (iv) Enactment of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015' which has come into force w.e.f. 01.07.2015 to specifically and more effectively deal with the issue of black money stashed away abroad,
- (v) Enabling attachment and confiscation of property equivalent in value held within the country where the property/proceeds of crime is taken or held outside the country by amending the Prevention of Money-laundering Act, 2002 through the Finance Act, 2015,
- (vi) According high priority to the cases involving black money stashed away abroad for investigation and other follow-up actions including prosecutions in appropriate cases.

(c) & (d): Appropriate action against tax evasion including in respect of money laundering, is an on-going process. Such action under direct tax laws includes searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution complaints in criminal courts, wherever applicable.